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Citrus Annual

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Report Highlights:

German imports of citrus fruit declined considerably in MY 1998/99 (Oct/Sept) due to adverse growing conditions and low production in Mediterranean countries. For MY1999/2000, a sharp rise in citrus production in this region is expected, and exports to Germany, mainly from Spain, are likely to rise noticeably.

Only grapefruit exports from Mediterranean countries are expected to decline. This offers market opportunities for U.S. grapefruit exporters. However, Israel, the second biggest exporter of grapefruit to Germany after the United States, is expected to increase exports by eight percent.

Includes PSD changes: No
Includes Trade Matrix: Yes
Trade Report
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Executive Summary

Germany does not produce fresh citrus fruit so consumption is met solely by imports. Supply and consumption of citrus fruit in Germany are closely correlated with availability of exports in Mediterranean countries, where most of Germany's imports of fresh citrus fruits originate. The only exception is the market for fresh grapefruit, where the United States leads with an average annual market share of 27 percent (predominantly the “Ruby Red” variety). Spain is the largest supplier of fresh citrus fruit to Germany with a 70 percent market share in fresh oranges, 86 percent in fresh crossbreeds (e.g. tangerines and mandarins), and 69 percent in fresh lemons in marketing year (MY) 1998/1999 (October/September). Brazil is the largest supplier of orange juice to Germany with a market share of 65 percent in MY 1998/99.

In general, U.S. exports of fresh citrus to Germany are negligible. However, the United States is the most important supplier of grapefruit in the German market.

Germany reexports limited quantities of fresh citrus fruits. However, considerable quantities of orange

concentrate are imported into Germany, processed into juice, then exported to other EU countries, mainly France, the Netherlands and Belgium.

Data for MY1998/99 are still preliminary. However, as estimated in last year's annual citrus report (see GM8088), imports of citrus fruit were considerably down compared to the MY1997/98 as a result of unfavorable cold weather conditions during the blossoming and growth period in major producing countries, especially in Spain.

Forecast: For MY1999/2000, an upswing in German citrus imports over MY1998/99 (see figures in this report) is expected in response to considerably higher production of citrus fruit in Mediterranean countries in 1999 and a forecast rise in exports during the winter of 1999/2000.

General

MY1998/99

The data shown in the trade matrices for fresh citrus fruit are based on the local marketing year October through September. Demand and consumption of all fresh citrus fruit in Germany mainly depend on the size of citrus crop and export availability in Mediterranean countries. Import numbers are down for all types of citrus fruit in MY1998/99 due to low production and exports of citrus fruit of Spanish origin. Only grapefruit imports remained stable, and U.S. exports to Germany increased in absolute and relative terms.

German imports of fresh oranges (excluding bitter oranges) in MY 1998/99 totaled 447,739 MT, down 18 percent from the previous marketing year due to extreme low production in Spain in CY 1998. The bulk of German imports stems from Spain (1998/99: 70 percent). Other important suppliers of fresh oranges were Morocco, Italy and South Africa. U.S. shipments of oranges are negligible.

Imports of fresh crossbreeds in MY 1998/99 totaled 346,635 MT, down 18 percent from the previous year. The downswing of German crossbreed imports can be explained by a 19 percent drop in Spanish exports which could not be offset by increased deliveries from other main suppliers, mainly Morocco, Italy, Greece and Turkey.

Imports of fresh lemons amounted to 127,748 MT in MY 1998/99, slightly less than the 131,082 MT in the previous marketing year. Spain, Argentina, Italy, and Turkey were the main suppliers of fresh lemons to Germany with Spain supplying 68 percent in MY 1998/99.

As grapefruits are not as popular as "snack fruits" (e.g. crossbreeds) which can be easily peeled, German consumption stagnated during the last years. During MY1998/99, German imports of grapefruit totaled 79,591 MT, slightly less than in the previous marketing year. The United States is by far the most important exporter of grapefruit to Germany with the highest import market share of 27 percent. Other important suppliers are South Africa, Turkey and Israel. In 1998, Israel was the strongest import competitor in Germany for U.S. grapefruit as this country increased exports by 78 percent from 9,266 MT (MY 1996/97) to 16,524 MT (MY 1997/98). MY 1998/99 imports amounted to 15,499 MT compared to 21,372 MT from the United States.

Imports of orange juice (65 degrees brix) totaled 195,411 MT in MY 1998/99, with Brazil supplying approximately 65 percent (127,018 MT) of the market followed by the Netherlands and Switzerland. This represents a downswing from the previous marketing year of 28 percent; however, this may reflect insufficient import data. Brazil still is by far the most important supplier of orange juice. Transshipments through the Netherlands were down considerably from 31,009 MT in MY 1997/98 to 13,909 MT in MY 1998/99. The United States is a residual supplier of orange juice and accounted for around one percent import volume market share in Germany due to insufficient orange juice for export.

The trade data matrix for orange juice covers total imports of all categories of orange juice. In order to improve the usefulness of these data, imports of different juices consisting of varying concentrations were converted to a single-strength equivalent (i.e. 11.2 degrees brix or 45 oexle), which differs slightly from the 11.8 degrees brix considered in the U.S. as single strength). Various conversion factors for the individual categories of juices were used. This is necessary as German and EU import statistics only distinguish citrus juices by specific density of less than or greater than 1.33 kg/l.

Furthermore, because of considerable differences in the concentration of products imported versus products exported, but shown under the same product category, different conversion factors were applied for imported and exported products. The calculated single-strength equivalent citrus juice trade data were converted into 65 degrees brix equivalent using a factor of 5.8.

MY1999/2000

According to market experts of the German Central Market and Price Reporting Agency (ZMP), exports of citrus fruit from Mediterranean citrus producing countries are expected to rise noticeably in MY1999/2000 - and so likely are German imports. Since Spain is the most important supplier of citrus to Germany (with the exception of grapefruit which are supplied by the United States, Israel and Turkey) this indicates also higher Spanish exports to Germany.

Production of citrus fruit in Mediterranean countries is expected to rise by 10 percent to 17.14 million MT in MY1999/2000. Spain accounts for the bulk of the production upswing.

Mediterranean producers expect a nine percent rise in citrus exports in MY1999/2000, up from 4.9 million MT to 5.4 million MT. Exports of easy peelers are expected to rise by as much as 16 percent to 1.8 million MT, followed by lemon exports (plus 10 percent to 732,000 MT) and oranges (plus six percent to 2.6 million MT). Only exports of grapefruit are expected to decline (minus four percent to 232,000).

Although the decline in grapefruit exports offers market chances for U.S. grapefruit, the United States may face fierce competition from its main rival on the German market, as Israel is expected to increase its grapefruit exports by eight percent to 133,000 MT.

Table 1: German Exports of Fresh Oranges (in MT)

MY 1997/98			MY 1998/99	
U.S.A.	-		U.S.A.	-
SWEDEN	7,514		SWEDEN	6,100
POLAND	4,666		SPAIN	3,849
DENMARK	3,715		AUSTRIA	3,575
AUSTRIA	3,070		NETHERLANDS	2,908
FINLAND	2,979		POLAND	2,835
BELGIUM	2,060		DENMARK	2,647
NETHERLANDS	1,768		GREAT BRITAIN	1,187
GREAT BRITAIN	1,073		FRANCE	1,181
SPAIN	962		FINLAND	587
FRANCE	837		ITALY	452
OTHER	1,999		OTHER	745
WORLD	30,643		WORLD	26,067

Note: MY October/September.

Source: FAS/Bonn based on official trade statistics.

Table 2: German Imports of Fresh Oranges (in MT)

MY 1997/98			MY 1998/99	
U.S.A.	21		U.S.A.	27
SPAIN	359,860		SPAIN	315,250
ITALY	56,259		MOROCCO	40,562
MOROCCO	43,213		ITALY	30,242
SOUTH AFRICA	38,996		SOUTH AFRICA	28,735
GREECE	22,734		ARGENTINA	8,278
ARGENTINA	8,339		FRANCE	7,632
ISRAEL	6,168		ISRAEL	5,974
CYPRUS	2,836		ZIMBABWE	2,552
FRANCE	2,670		CYPRUS	2,187
URUGUAY	2,061		TURKEY	1,853
OTHER	5,375		OTHER	4,448
WORLD	548,531		WORLD	447,739

Note: MY October/September.

Source: FAS/Bonn based on official trade statistics.

Table 3: German Exports of Fresh Crossbreeds (in MT)

MY 1997/98		MY 1998/99	
U.S.A.	-	U.S.A.	-
SWEDEN	7,923	SWEDEN	4,577
POLAND	5,974	FINLAND	3,599
FINLAND	4,592	POLAND	3,126
RUSSIA	1,885	DENMARK	1,457
AUSTRIA	1,624	SPAIN	1,273
DENMARK	1,509	NETHERLANDS	1,220
NETHERLANDS	1,348	AUSTRIA	1,186
ITALY	1,185	FRANCE	838
FRANCE	335	ITALY	517
CZECH REPUBLIC	882	GREAT BRITAIN	513
OTHER	924	OTHER	754
WORLD	27,589	WORLD	19,060

Note: MY October/September

Source: FAS/Bonn based on official trade statistics.

Table 4: German Imports of Fresh Crossbreeds (in MT)

MY 1997/98		MY 1998/99	
U.S.A.	68	U.S.A.	0
SPAIN	369,159	SPAIN	299,787
MOROCCO	22,494	MOROCCO	18,623
ITALY	6,989	TURKEY	9,665
TURKEY	6,557	GREECE	5,272
GREECE	4,556	ITALY	3,381
SOUTH AFRICA	3,538	CYPRUS	3,108
ARGENTINA	3,275	FRANCE	1,950
ISRAEL	2,641	ARGENTINA	1,898
CYPRUS	1,943	ISRAEL	1,066
FRANCE	1,518	SOUTH AFRICA	955
OTHER	1,504	OTHER	929
WORLD	424,243	WORLD	346,635

Note: MY October/September

Source: FAS/Bonn based on official trade statistics.

Table 5: German Exports of Lemons in (in MT)

MY 1997/98			MY 1998/99	
U.S.A.	-		U.S.A.	-
RUSSIA	2,087		SPAIN	4,300
AUSTRIA	1,699		AUSTRIA	2,950
POLAND	817		NETHERLANDS	546
NETHERLANDS	774		SWEDEN	528
DENMARK	551		RUSSIA	384
FINLAND	346		DENMARK	380
ITALY	332		FRANCE	331
SWEDEN	301		POLAND	321
GREAT BRITAIN	113		FINLAND	173
FRANCE	100		ITALY	69
OTHER	319		OTHER	136
WORLD	7,440		WORLD	10,119

Note: MY October/September

Source: FAS/Bonn based on official trade statistics.

Table 6: German Imports of Lemons (in MT)

MY 1997/98			MY 1998/99	
U.S.A.	5		U.S.A.	4
SPAIN	100,477		SPAIN	86,762
ARGENTINA	12,742		ARGENTINA	21,091
ITALY	7,534		TURKEY	6,419
SOUTH AFRICA	3,297		ITALY	6,336
GREECE	2,597		GREECE	3,383
CYPRUS	2,016		CYPRUS	1,987
TURKEY	1,085		FRANCE	727
URUGUAY	646		SOUTH AFRICA	421
NETHERLANDS	147		URUGUAY	322
BRAZIL	146		MEXICO	60
OTHER	390		OTHER	237
WORLD	131,082		WORLD	127,748

Note: MY October/September

Source: FAS/Bonn based on official trade statistics.

Table 7: German Exports of Grapefruit (in MT)

MY 1997/98			MY 1998/99	
U.S.A.	-		U.S.A.	-
POLAND	2,274		POLAND	2,138
NETHERLANDS	1,151		NETHERLANDS	855
BEL/LUX	764		FRANCE	841
DENMARK	513		ITALY	686
AUSTRIA	501		DENMARK	446
GREAT BRITAIN	430		GREAT BRITAIN	396
ITALY	360		AUSTRIA	328
SWEDEN	340		BELGIUM	150
FRANCE	159		SWEDEN	109
GREECE	80		GREECE	67
OTHER	101		OTHER	63
WORLD	6,672		WORLD	6,078

Note: MY October/September

Source: FAS/Bonn based on official trade statistics.

Table 8: German Imports of Grapefruit (in MT)

MY 1997/98			MY 1998/99	
U.S.A.	20,644		U.S.A.	21,372
ISRAEL	16,534		ISRAEL	15,499
SOUTH AFRICA	15,212		TURKEY	12,224
SPAIN	7,363		SOUTH AFRICA	10,059
TURKEY	6,213		SPAIN	7,278
ARGENTINA	5,280		ARGENTINA	4,447
CUBA	3,687		CYPRUS	3,163
CYPRUS	3,097		CUBA	2,037
HONDURAS	1,886		SWAZILAND	1,206
SWAZILAND	988		HONDURAS	753
MEXICO	321		MEXICO	533
OTHER	888		OTHER	1,018
WORLD	82,113		WORLD	79,591

Note: MY October/September

Source: FAS/Bonn based on official trade statistics.

Table 9: German Exports of Orange Juice (in MT)

MY 1997/98		MY 1998/99	
U.S.A.	117	U.S.A.	116
FRANCE	31,269	FRANCE	27,837
NETHERLANDS	15,526	NETHERLANDS	14,204
BELGIUM	14,928	BELGIUM	13,103
DENMARK	6,292	DENMARK	9,604
GREAT BRITAIN	5,759	GREAT BRITAIN	6,517
SWEDEN	3,464	SPAIN	5,237
SPAIN	3,079	ITALY	5,167
ITALY	2,473	SWEDEN	3,401
PORTUGAL	1,402	PORTUGAL	2,306
CZECH REPUBLIC	607	CZECH REPUBLIC	607
OTHER	3,739	OTHER	3,093
WORLD	88,656	WORLD	90,958

Note: MY October/September

Source: FAS/Bonn based on official trade statistics.

Table 10: German Imports of Orange Juice (in MT)

MY 1997/98		MY 1998/99	
U.S.A.	2,609	U.S.A.	1,014
BRAZIL	187,678	BRAZIL	127,018
NETHERLANDS	39,008	NETHERLANDS	13,909
SWITZERLAND	7,778	SWITZERLAND	13,271
SPAIN	5,783	BELGIUM	12,779
ITALY	5,777	SPAIN	5,949
BEL/LUX	5,372	ITALY	4,764
POLAND	3,090	POLAND	3,466
FRANCE	1,805	CZECH REPUBLIC	2,016
GREECE	1,633	GREECE	1,437
CZECH REPUBLIC	1,396	FRANCE	862
OTHER	7,956	OTHER	8,902
WORLD	269,885	WORLD	195,411

Note: MY October/September

Source: FAS/Bonn based on official trade statistics.